(text box: 1)BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE JOINT APPLICA­TION OF FREMONT TELCOM CO. AND  APPLICATION OF U S WEST COMMUNI-CATIONS, INC. FOR AN ORIGINAL AND AN AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, RESPECTIVELY. | )  )  )  )  )  )  )  ) | CASE NOS.  USW-T-97-17                        FRE-T-97-1  ORDER NO.  27253 |

On September 4, 1997, Fremont Telcom Company and U S WEST Communications, Inc. filed a joint Application to amend U S WEST’s Certificate of Public Convenience and Necessity and for Fremont to receive a new Certificate of Public Convenience and Necessity to reflect Fremont’s acquisition of certain exchanges from U S WEST and to allow it to service areas previously unserved.

In Order No. 26353, the Commission approved the sale of ten (10) U S WEST exchanges to six (6) purchasers, including Fremont.  Order No. 26353, p. 22.  Fremont purchased the Ashton, Island Park, and St. Anthony, Idaho exchanges from U S WEST.(footnote: 1) In approving the sale, the Commission directed the purchasers and U S WEST to submit new or amended Certificates to reflect the sales transactions.  Id.  In Order No. 27166 the Commission granted that portion of this Application that amends U S WEST’s Certificate of Public Convenience and Necessity.  Because Fremont requested territory in addition to that acquired in its purchase from U S WEST be included in its new Certificate of Public Convenience and Necessity, the Commission set this portion of the Application for consideration under Modified Procedure.  Order No. 27168.

The Commission requested that interested persons file written comments regarding this Application no later than November 17, 1997.  The Commission Staff filed written comments recommending the joint Application be granted.  Fremont filed a response.

Upon reviewing the record before the Commission, including the Application, the written comments and the requirements outlined in Order No. 26665, the Commission approves Fremont’s Application for a Certificate to provide local service in the service areas requested in its Application.

BACKGROUND

This Application was filed as part of a series of joint Applications with U S WEST and various other purchasers including:  Fremont Telcom Co.; Silver Star Telephone Company;  Columbine Telephone Company, Inc.; Cambridge Telephone Company; Council Telephone Company;  Direct Communications Lakeside, Inc.;  Farmers Mutual Telephone Cooperative;  Project Mutual Telephone Cooperative Association, Inc.;  Midvale Telephone Ex­change, Inc.; and Sawtooth Telephone, Inc.  The parties jointly filed to amend their respective Certificates of Public Convenience and Necessity or be issued new Certificates of Public Convenience and Necessity in compliance with CommissionOrder Nos. 26198, 26242 and 26353.  See Order Nos. 27166 and 27168.

This Application was filed in compliance with Commission Order No. 26353 that approved the sale by U S WEST of ten (10) exchanges in southern Idaho to six (6) purchasers, including Fremont. Order No. 26353, p. 22.  All of the applicant utilities, except Fremont and Westel, limited their applications to the service areas of the purchased exchanges as indicated in U S WEST’s Certificate of Public Convenience and Necessity.  However, Fremont and Westel requested the addition of currently unserved and uncertificated areas.  On October 17, 1997, the Commission issued a Notice of Modified Procedure to consider the Application of Fremont for the additional area.  Order No. 27168. On October 20, 1997, the Commission granted that portion of this Application to amend U S WEST’s Certificate of Public Convenience and Necessity.  Order No. 27166.

Fremont purchased the Ashton, Island Park, and St. Anthony, Idaho exchanges from U S WEST. This joint Application also requested inclusion of the balance of Fremont County.  Fremont is currently the only local exchange telecommunications company providing service in Fremont County.  All of the area requested is contiguous to the exchanges purchased from U S WEST.

STAFF RECOMMENDATION

Staff reviewed the additional areas requested in this Application and found Fremont’s description of these areas as unserved and uncertificated is accurate.  Staff Comments at 2.  The areas include, for the most part, federal or state owned lands, with minimal private property and few, if any, residences.  The areas are generally separated from exchanges operated by other companies by either mountain ranges or miles of unserved area.  The primary exception to this would be the western border of the area requested by Fremont, which is contiguous with Mud Lake Mutual Telephone Cooperative’s service area in Jefferson and Clark Counties.  However, the Mud Lake Coop has few, if any, customers or facilities near this border.  Staff is not aware of any requests for service from the additional areas.  Staff found Fremont is qualified, both technically and financially, to provide local exchange telecommunications service in the proposed areas.  Staff Comments at 2.  Although it had some reservations, Staff recommended this joint Application be granted.  Id.  Fremont responded to those reservations and urged the certificate be issued as it stated in its Application.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Fremont Telcom Company is a telecommunications company subject to our regulatory jurisdiction pursuant to Idaho Code Title 61 and 62.  The Commission has jurisdiction over this matter as authorized by Idaho Code §§ 61-526 through -528.

In Order No. 26353 the Commission found that, as conditioned in that order, the sale and transfer of the exchanges to those companies and the expansion of those companies’ respective Certificates of Public Convenience and Necessity to reflect those acquired exchanges was reasonable and not adverse to the public interest.  Order No. 26535 at p. 18.

As a further condition of the approval of the sale and transfer of these exchanges, the Commission required U S WEST to amend its Certificate of Public Convenience and Necessity to reflect the sale of transferred exchanges, and required the purchasers to file Applications to include the purchased exchanges within the their certificated service area within sixty (60) days of the close of each respective purchase and sale.  Id. at p. 22.

According to U S WEST and Fremont, the purchase and sale is complete and Fremont has assumed control of the sold exchanges.  The Application included maps and legal descriptions of the boundaries of  the sold exchanges.

The Commission finds that this Application was filed in part to comply with Order No. 26353 and further finds that the additional areas requested to be included in Fremont’s Certificate of Public Convenience and Necessity are reasonable and not adverse to the public’s interests.

O R D E R

IT IS HEREBY ORDERED that the joint Application filed by U S WEST and Fremont Telcom Company is approved and a Certificate of Public Convenience and Necessity shall be issued reflecting both the areas acquired by Fremont from U S WEST and those additional unserved areas as described in the joint Application.

IT IS FURTHER ORDERED that this Order shall become effective upon service pursuant to Idaho Code § 61-618.

THIS IS A FINAL ORDER.  Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order.  Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration.  See Idaho Code § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this                  day of  December 1997.

                                                                                                                                      DENNIS S. HANSEN, PRESIDENT

                                                                                           RALPH NELSON, COMMISSIONER

MARSHA H. SMITH, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

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**FOOTNOTES**

1:

This Application was filed as part of a series of joint Applications with U S WEST and various other purchasers including:   AlbionTelephone Company, Westel, Inc.; Silver Star Telephone Company; Columbine Telephone Company, Inc; Cambridge Telephone Company;  Council Telephone Company; Direct Communications Lakeside, Inc.;  Farmers Mutual Telephone Cooperative;  Project Mutual Telephone Cooperative Association, Inc.; Midvale Telephone Exchange, Inc.; and  Sawtooth Telephone, Inc.  The parties jointly filed to amend their respective Certi­ficates of Public Convenience and Necessity or be issued new Certificates of Public Convenience and Necessity in compliance with the Commission’sOrder Nos. 26198, 26242 and 26353.   See Order Nos. 27166 and 27168.

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

December 17, 1997